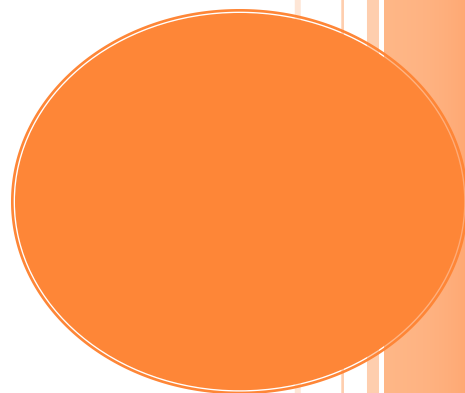


*EMPLOYMENT  
STRATEGY BRIEFS*

October 29, 2015



# 1. POTENTIAL EMPLOYMENT STRATEGIES

	<i>Page</i>
1.1 <i>Enhancing CalWORKs Subsidized Employment Program for Homeless Families</i>	2
1.2 <i>Create a subsidized employment program for Adults</i>	4
1.3 <i>Explore enhancing Government procurement process to include preferential contracting/sub-contracting for Social Enterprise entities</i>	7
1.4 <i>Create and support a Social Enterprise entity in the development of an Alternative Staffing Agency</i>	9
1.5 <i>Create an automated inventory of homeless persons' skill sets for matching candidates to opportunities</i>	12
1.6 <i>Develop an employment retention and referral to self-help support component to support newly employed homeless individuals</i>	15
1.7 <i>Create incentives for business to hire homeless/formerly homeless, including marketing incentives to employers (i.e., waiver of some local costs)</i>	18
1.8 <i>Modify hiring process for certain populations, e.g. homeless, to have access to County/City jobs outside of civil service process (be a "model employer")</i>	21
1.9 <i>Explore a local ordinance on "Ban the Box" for private employers</i>	23

**Potential Strategy 1.1**  
**Enhancing CalWORKs Subsidized Employment Program for Homeless Families**

## 1. Description of the proposed strategy

Provide subsidized employment to CalWORKs homeless families. The services will be specifically targeted to meet the needs of homeless families. Examples of services include:

- Subsidized employment/bridge jobs provided in a Social Enterprise supportive employment work environment that includes personal supports, case management and job readiness preparation.
- Recruiting and working with employers willing to hire hard-to-serve individuals with non-traditional backgrounds. This will include recruiting and working with small localized (mom and pop) employers.
- Coordinated training to develop skills needed to obtain self-sufficiency.

Additional supports as needed by homeless families to help them maintain their employment and progress into unsubsidized employment and to retain their employment.

## 2. Target Population

Homeless CalWORKs families with an aided parent who is eligible to participate in the CalWORKs welfare-to-work program would be eligible to participate. The definition of “homeless” within the CalWORKs program includes individuals that lack a permanent fixed residence. This means that the definition includes families that range from literally homeless (e.g., sleeping in car) to those who are “couch surfing.”

- The definition for this strategy, if funded, could be further refined to include narrower sub-population(s), e.g., families referred by a Family Solution Center; or homeless three or more times in the past 24 months, etc.

The estimated cost per person is approximately \$ 10,500 - \$ 11,500 for a six-month assignment.

## 3. Opportunities that make this proposed strategy feasible (Is this currently done elsewhere? Is there legislation that makes this possible?)

- Existing Logistical Infrastructure:
  - DPSS CalWORKs Subsidized Employment Program
  - The City of Los Angeles was awarded a Department of Labor (DOL) grant for the Los Angeles Regional Initiative for Social Enterprise (LA: RISE). LA:

RISE includes the components noted in the description of this proposed strategy.

- Community and Senior Services (CSS) contracts for youth employment. This includes intermediary agreements with the City of Los Angeles.
- The South Bay Workforce Investment Board (SBWIB) has contracts for subsidized employment with Work Source Centers.

DPSS agreements could be used as a mechanism for funding this project, if funding is identified.

- Existing Services for Homeless CalWORKs Families:

DPSS has a contract with the Los Angeles Homeless Services Authority (LAHSA) to assist homeless families through the Homeless Families Solutions System (HFSS). DPSS' welfare-to-work case managers and homeless case managers work with direct service providers and refer homeless CalWORKs families to needed services.

The above are opportunities that can be leveraged to quickly develop and implement this program.

#### **4. Barriers to implementing the proposed strategy and recommendation on how they can be resolved**

The uncertainty of funding sources is a potential barrier to implementation. The confirmation of funding sources will resolve this issue.

#### **5. Potential performance measures**

- Percentage of referred participants who are placed into subsidized employment.
- Percentage of participants who are placed into subsidized employment and obtain unsubsidized employment.
- Percentage of participants placed into unsubsidized employment who retain employment for a period of time.

#### **6. Potential funding stream**

CalWORKs Expanded Subsidized Employment funding

**Potential Strategy 1.2**  
**Create a subsidized employment program for Adults**

## 1. Description of the proposed strategy

Provide subsidized employment opportunity for single adults mirroring what is provided for CalWORKs families.

The County will partner with employers, non-profits, and local public agencies to match unemployed, low income single adults to suitable employment opportunities. Wages are fully or partially subsidized and employers provide supervision and training. Jobs are in many industries, often entry level, with the expectation of building work experience to help secure a permanent unsubsidized job. Employers may be large or small businesses; however, all will be encouraged to retain employees once the subsidy expires.

Point of entry for the Subsidized Employment Program could include, but would not be limited to, the DPSS General Relief Program and Community Based Organizations linked to Social Enterprise Programs.

Key Points of Proposed Subsidized Employment Program:

- For GR participants whose subsidized employment exceeds the GR grant of \$221 per month, there are two potential policy options:
  - Income from subsidized employment can be exempt from GR eligibility requirements, allowing recipients to receive GR benefits while participating in the subsidized employment program; or
  - GR recipients would have cash benefits suspended while participating in the subsidized employment program if wages through employment exceed the \$221/month GR grant amount. If subsidized employment stops for any reason and recipient has not secured a job or income that exceeds \$221/month, GR recipient payments will resume on the first of the month following work stoppage in the Subsidized Employment Program. Time spent in the Subsidized Employment Program shall not count toward the 9-out-of-12 month maximum time limit for GR Employable Participants. GR Participants engaged in Subsidized Employment would be eligible to work-related or transportation expenses while participating in the Subsidized Employment Program even if the GR Grant is suspended.

## 2. Target Population

Target population would include those Single Adults who could most benefit from subsidized employment, including those who: 1) are experiencing homelessness, 2)

have a criminal background, 3) are just leaving prison, 4) have been unemployed for over a year, and/or 5) have a negative employment record.

The estimated cost per person would be similar to costs associated with the Subsidized Employment Program for CalWORKs families.

**3. Opportunities that make this proposed strategy feasible (Is this currently done elsewhere? Is there legislation that makes this possible?)**

The CalWORKs Subsidized Employment Program provides a mechanism that could be modified to encompass the provision of subsidized employment opportunities for Single Adults.

**4. Barriers to implementing the proposed strategy and recommendation on how they can be resolved**

Subpopulations face a variety of obstacles and are likely to need closely tailored interventions. Barriers and Solutions include:

- *Housing/ Lack of Physical Address* - provide streamlined access to permanent or bridge housing. Work with Shelters, Homeless Service organizations and DPSS to ensure that every recipient has a contact address where needed.
- *Shelter Hours and Rules* – Work with shelters to allow flexible hours for entering and exiting shelter and relaxation of rules regarding house meetings/ chores.
- *Older Adults* - help them understand their employment potential, and tailor training and employment options to their needs.
- *Veterans* - draw from their previous military work experience and the occupational training, teamwork, and leadership skills they attained there, help manage trauma and the transition back to the civilian workforce.
- *Individuals with a Criminal Record and People Leaving Prison* - help participants navigate legal obstacles, tailor job search activities and provide follow-along supports.
- *Individuals with Health Conditions* - provide streamlined access to quality health care and benefits counseling, provide the necessary accommodations in both the employment program and the workplace, and help participants navigate the demands of both work and health.
- *Individuals with Substance Abuse Issues* - integrate employment services with a treatment regimen including collaboration with addiction counselors, foster social support, and work with participants to overcome substance use issues on the job.

- *Employer Participation in the program and Diversity of Employment Opportunities* – Work with the Small Business Administration, Chambers of Commerce, Social Enterprise Programs and non-profits to expand employer participation to meet the needs of prospective employees and provide a diverse array of job opportunities.

Barriers can be overcome by providing a comprehensive breakdown of the plan outlining positive outcomes for unemployed homeless populations and engaging community partners as advocates for the program.

## **5. Potential performance measures**

- Percentage of participants who are placed into subsidized employment and obtain unsubsidized employment.
- Percentage of participants placed into unsubsidized employment who retain employment for a period of time.

## **6. Potential funding streams**

- Workforce Investment Boards
- Los Angeles County Probation Department (AB 109, SB 678)
- Summer Youth Employment Program (SYEP)
- Homeless Veterans Reintegration Program

### Potential Strategy 1.3

#### Explore enhancing Government procurement process to include preferential contracting and/or sub-contracting for Social Enterprise entities

##### 1. Description of the proposed strategy

Local Government procures many services through a competitive bid process. Historically, the procurement process has required potential vendors to meet minimum employment standards, and attempted to drive business to identified groups through mandatory outreach programs and participation goals. While these programs are somewhat effective across the wide spectrum of contracting, they are not particularly applicable to the services available from social enterprise agencies.

Social Enterprises are mission-driven businesses focused on hiring and assisting people who face the greatest barriers to work. They earn and reinvest their revenue to provide more people with transitional jobs to become job ready with the basic skills necessary to compete and succeed in the mainstream workforce. They help people who are willing and able to work, but have the hardest time getting jobs, including individuals with a history of homelessness, incarceration, and youth who are out of school and out of work. In doing so, they enable people to realize their full potential through a more financially sustainable and cost-effective model focused on a demand-driven approach to meet employer needs.

Many services procured by local government could be provided, in whole or in part, by Social Enterprise entities. Enhancing the procurement process to mandate that 1) services be provided by social enterprise entities, or 2) a portion of the contracted services be subcontracted to a social enterprise entity would expand employment opportunities available to homeless adults or those at risk of homelessness. Additionally, expanding opportunities for social enterprise entities will allow them to expand and venture into new employment areas to enhance opportunity for at risk communities, consistent with government's core mission of improving the quality of life for all residents.

The following would be key steps in implementation of this strategy:

- Develop comprehensive inventory of the services currently being provided by the social enterprise agencies.
- Develop an appropriate process to establish an approved Vendor list for the services provided by the social enterprise agencies.
- Expand the County's Transitional Job Opportunities Preference Program to include "for profit" agencies.
- Modify the County's Expanded Preference Program and develop and pass a Social Enterprise Agency Utilization Ordinance within cities, similar to the



County's Expanded Preference Program. The Program/Ordinance would require every contractor providing services to the County or a city to use the approved Vendor list to perform functions consistent with business capacity of one or more vendors on the master agreement list. Whenever the contractor identifies work that is consistent with any of the approved Vendor's business capacity, the contractor will be required to contact the approved Vendors to determine if they can meet the Contractor's business requirement. If the approved Vendor can meet the business requirements, then the contractor must utilize the approved vendor. If not, the contractor is permitted to secure alternate resources to complete the task.

**2. Opportunities that make this proposed strategy feasible (Is this currently done elsewhere? Is there legislation that makes this possible?)**

- Billions of dollars are contracted out by the County and cities within the County. Within the scope of these contracts are opportunities to leverage the services provided by the social enterprise agencies. The volume of business opportunity is unknown at this time.
- There is currently no legislation that specifically permits this approach, but it does not appear that there is any legislation or policy that would preclude the adoption of an Ordinance to mandate this program.

**3. Barriers to implementing the proposed strategy and recommendation on how they can be resolved**

- Potential conflict with Project Labor Agreements
- Potential adverse reaction from business community due to adding further contracting requirements on top of an already complex process.

**4. Potential Performance Measures**

- Increase in the volume of business for the social enterprise agencies.
- Increased employment opportunities resulting from increased utilization of social enterprise agencies.
- Potential decrease in the need for social services and financial support for some formerly homeless individuals
- Increase in costs due to monitoring and administering another contractual requirement.

**Potential Strategy 1.4**  
**Create and support a Social Enterprise Agency in the**  
**development of an Alternative Staffing Agency**

## **1. Description of the proposed strategy**

Alternative staffing is an employment strategy that uses a temporary staffing business platform coupled with supportive services to help individuals with obstacles to employment enter and advance in the workforce. Alternative Staffing Organizations (ASOs) act as intermediaries between employers and job seekers, helping employers attract and retain reliable, motivated workers and linking job seekers to competitive employment, opportunities for skills development and pathways to hire by employer customers.

Unlike conventional staffing companies, ASOs have a dual mission to satisfy their customers and promote workplace success for people with obstacles to employment. ASOs use temporary placements to help job seekers build skills and confidence, adjust to the demands of the workplace, and establish behaviors that will give them an edge in the labor market throughout their working lives. Because they are committed to their workers' long term success, ASOs invest in developing a deep understanding of their employees' challenges in order to provide appropriate supportive services. To facilitate transitions to long-term employment, many ASOs do not charge employers a fee when they hire an ASO temporary employee as a permanent employee.

## **2. Target Population**

ASOs such as Chrysalis Staffing focus on individuals who have moderate barriers to employment, such as unstable housing, criminal backgrounds, or those participating in recovery programs. While these individuals have faced challenges to employment and may not have deep vocational skills, they have basic soft skills and are ready to enter the workforce with relatively limited employment supports.

The costs of the employment and programmatic supports needed for individuals participating in ASOs vary widely depending upon that individual's needs. However, a reasonable benchmark is \$2000 per individual placed. This cost could be funded through the hourly rate charged to participating employers, a public subsidy to the ASO, or a combination thereof.

## **3. Opportunities that make this proposed strategy feasible (Is this currently done elsewhere? Is there legislation that makes this possible?)**

The use of staffing firms is generally accepted and understood as a business strategy to meet short-term, seasonal, or unexpected personnel needs while reducing the risk of employment liabilities and the hassles of recruiting and hiring workers. In many cases, staffing engagements are "temp to perm", enabling the customer to audition workers before making permanent hiring decisions.

It is likely that the County and cities within the County make extensive use of staffing firms. As such, contracting policies and preferences that encourage the use of workers from ASOs would create new opportunities for this population.

The County Department of Public Social Services (DPSS) currently refers homeless job seekers to Work Source Centers for placement through the CalWORKs program. It could be possible for DPSS to also refer these participants to an ASO as an additional employment option, or an ASO could be recruited/procured using an existing County mechanism such as the DPSS CalWORKs South Bay WIB contract. However, providing services to participants beyond the current CalWORKs welfare-to-work population would require additional funding.

Examples of ASOs include:

- Chrysalis Staffing in Los Angeles operates an ASO that has approximately 65 clients working each week. Key customers for this business are affordable housing providers, where the ASO workers are providing front desk and janitorial services.
- Emerge Staffing in Minneapolis places populations with significant barriers in positions such as assembly, commercial food processing, air cargo handling, digital imaging and food service.
- FVO Solutions in Pasadena is a subsidiary of Foothill Vocational Services. It provides contract manufacturing and staffing support to a wide array of customers, with a focus on helping individuals with intellectual and developmental disabilities enter the workforce.
- Solutions SF provides lobby staffing services to 40 supportive and affordable housing properties in San Francisco, including properties owned and managed by its parent organization Community Housing Partnership (CHP).
- Goodwill Staffing of Colorado relies on referrals from the Department of Human Services (DHS) of economically disadvantaged individuals including single parents, chronically unemployed individuals and those who have moved through the community corrections system. Its customers are a mix of manufacturers, retailers and warehouse distributors for whom the program mainly provides assembly workers, sales associates and materials handling workers.

#### **4. Barriers to implementing the proposed strategy and recommendation on how they can be resolved**

ASOs tend to be much smaller and less sophisticated than conventional staffing firms. ASOs do not enjoy a bidder's preference or other contracting incentives that some

large staffing firms enjoy, primarily through the Minority/Women's/Small Business exemptions. Extending similar preferences to ASOs would help alleviate this issue. In general, staffing firms are able to be self-sustaining by marking up wage rates. In other words, a worker that is paid \$10 per hour may be billed to the customer at \$17. This "mark-up" covers employment taxes, workers compensation, mandated benefits, and profit or other margin needed to maintain the business as a going concern. An understanding of this business model, and the reasons behind the mark-up, is important in order to gain customer acceptance.

One way to address customer's concern about the markup and billing rates is to use subsidies to reduce the markup. By lowering the customer's overall costs, ASOs become a more attractive—and less risky—business proposition. At the same time, these subsidies help ASOs fund the critical support services needed to ensure employees' success.

## **5. Potential performance measures**

- Number of workers engaged in ASO assignments
- Number of hours billed under ASO assignments
- Increase in earnings of participants due to ASO assignment
- Reduction in dependence on public benefits due to ASO assignment
- Net new employers sourcing from ASO's including City and County agencies

## **6. Potential funding stream(s)**

Most of the funding for ASOs would come from the costs that a city or the County would otherwise incur with a conventional staffing firm. There could be modest funding required to provide ASOs with programmatic supports for their participating workers.

Additionally, under the Department of Social Services (DPSS) Greater Avenue for Independence (GAIN), two transitional subsidized employment programs exist CalWORKs parents/relative caregivers: 1) Paid Work Experience, and 2) On the Job Training. Both of these programs include placement in temporary employment, and vary as to the placement with either a government, nonprofit, or for-profit agency. The challenge with these two programs is placement for the long-term after the subsidized work experience. Combining this program and funding stream with an alternative staffing model could allow DPSS to better leverage its dollars and gain greater long-term employment outcomes for their families with the placement, support, and employment experience provided by an alternative staffing program. Combining this funding stream and this employment model could allow for more long term successes for families who are homeless or even on the verge of becoming homeless to gain greater economic security.

**Potential Strategy 1.5**  
**Create an automated inventory of homeless persons’**  
**skill sets for matching candidates to opportunities**

## 1. Description of the proposed strategy

“Open Doors” is envisioned as a database network system designed to create an inventory of job-related skills, transferable skills, and self-management skills of homeless individuals and those marginally housed who have expressed a willingness to work. The database would also capture work interests, work history, educational history and fields of study. Data collected would be used to assess job readiness and to match homeless individuals to employers looking for experienced workers.

Points of entry to “Open Doors” would include, but would not be limited to, DPSS, Social Enterprise Organizations, Probation Department and other County and Local government agencies.

The Open Doors database would streamline the process of connecting employers to homeless individuals who are job-ready, aid in resume building exercises, and identify industry-specific work-related experiences. Participating employers would interface with the system by entering/posting job openings along with skills necessary to perform the work needed.

A three-tiered database skills inventory would include:

- Job Related Skills – These skills place special emphasis on how individuals handle data and factual information (computer programs, numbers, databases, research, etc.), the type of people the individual worked with (supervisors, customers, vendors, etc.), experience with machines (computers, phones, heavy equipment, etc.) and the ability to generate good ideas (ways to make the job more efficient, profitable, safer, etc.).
- Transferable Skills – Transferable skills may be used in many occupations, regardless of the type of work. They are a soft skill that can transfer from one type of work to another without much training from the employer and would include skills such as writing reports, budgeting money, delegating, etc.
- Self-Management Skills – These are soft skills that tell the employer whether or not an individual’s personality fits the personality of the company, the bosses, and the co-workers. These would include if an individual were dependable, cooperative, considerate, confident, etc.

## 2. Target Population

The target population for the “Open Doors” program would include those individuals who are currently homeless or marginally housed and both willing and able to

work. A pilot program would include only those individuals who became homeless due to the loss of a job, including consultants who can no longer find work.

Estimated cost per person would include database design and programming, staff time for data entry and maintenance/upgrades, and ongoing case management (unless the case management were provided through another existing program). Potential savings from moving homeless individuals into the workforce should also be considered.

### **3. Opportunities that make this proposed strategy feasible (Is this currently done elsewhere? Is there legislation that makes this possible?)**

Research confirms that many people with histories of homelessness, including those with disabilities, want to and can work when given the opportunity, support, and services to do so. Similar programs and legislation that support a skills-linkage strategy approach include:

- Job Link is a Linking Employment, Abilities, and Potential (LEAP) program.
- Homeless Veterans' Reintegration Project links employment services with veteran focused services, programs and organizations.
- Incarcerated Veterans Transition Program targets veterans previously incarcerated and near-release, to reduce unemployment, recidivism and homelessness.
- Ready 4 Work is used to link, employ, and retain job ready ex-offenders.
- Office of Disability Employment Policy validates successful employment practices, and promotes innovation.
- Job Corps Foster Care Initiative
- WIOA/One Stop Career Centers
- JobsLA.org

### **4. Barriers to implementing the proposed strategy and recommendation on how they can be resolved:**

- Housing: potential resolution- we can increase housing opportunities by increasing housing specifically for those in the homeless community as well as creative solutions such as "shared housing."
- Technology: potential resolution- expand existing database platform currently being used by workforce system.
- Political Will and Government Employment Exclusion: potential resolution- L.A. County and local governments could lead way by adjusting hiring practices.
- Low Wages i.e. gaps between income and housing cost: potential resolution- increase wages, shared housing and other homeless housing programs.

### **5. Performance can be measured by:**

- The number of individuals matched to a potential job for interviews

- The number of homeless individuals obtaining a job through the system

**Secondary measures:**

- Standardized data set that includes important information regarding the barriers to employment faced by homeless job seekers including previous employment experience, mental health issues, or length of time experiencing homelessness.
- Creating a clearer picture of populations served to alleviate the difficulty in evaluating relative program performance across employment programs.
- Tracking job retention rates for at least 90 days.

**6. Potential funding stream(s)**

- Workforce Investment Boards
- Los Angeles County Probation Department
- Homeless Veterans' Reintegration Program (HVRP)



**Potential Strategy 1.6**  
**Develop an employment retention and referral to self-help support component to support newly-employed homeless individuals**

## 1. Description of the proposed strategy

Upon entering employment, ongoing support is vital to ensure that newly-employed homeless individuals retain employment and progress in the work force. In providing ongoing support, a coordinated connection to available employment retention services is needed and should focus on:

- Soft skills- Enhancing the newly-employed individual's ability to successfully manage relationships with co-workers and supervisors, etc. Retention services must include connection to soft-skill development such as trainings and community supports.
- Résumé building to encourage and support promotion, including the exploration of volunteer work to supplement employment.
- Effective communication and coordination with case managers and housing specialists, including constant assessment of new referrals and/or connections needed to support the newly-employed individual.
- Creating incentives to expand work-study opportunities for people to build skill sets.
- Communication and Life Skills – Modeling of effective communication in a professional environment and appropriate dress code.
- A review of the Employer's company policies and Employee Handbook.

In addition to providing support to the newly-employed individual, to foster support at the employer level, coordination and communication with employers post-placement need to include:

- Employer Liaisons, available to the employer to identify issues/barriers as they arise in the course of employment, and identify service providers available to provide the needed support to the employee to address the issues identified by the employer.
- Employer incentives to hire and retain formerly homeless individuals.

Ongoing communication with newly-employed individuals to encourage and support access to:

- Coordinated referrals to Self-Help Support groups – provide free community support and develop soft skills necessary to maintaining employment.
- Online training in self-help and empowerment.
- Peer groups/ Job clubs – within and between providers/agencies to join people employed and receiving services



- Mentor opportunities within employment and housing programs that link and empower people seeking employment with those successfully maintaining employment
- Financial literacy/budgeting – training and support to transition people to be self-sustaining through employment

## **2. Target Population**

Individuals and families who have been recently housed and connected to employment will be eligible to ongoing employment retention support and referrals, as needed.

Estimated cost per person is not known.

## **3. Opportunities that make this proposed strategy feasible (Is this currently done elsewhere? Is there legislation that makes this possible? )**

Maximizing the resources available by expanding and supplementing existing structures such as the Department of Public Social Services Greater Avenues for Independence (GAIN) and Greater Opportunities for Work (GROW) Programs.

Additionally, a broad array of community support is available through a network of self-help support groups and the faith community through service providers and CBOs. For those facing reentry from the Justice System, the Department of Labor Prisoner Reentry Initiative is an available resource.

## **4. Barriers to implementing the proposed strategy and recommendation on how they can be resolved**

- Business hours of traditional support systems do not fully match the hours needed by newly-employed individuals. Flexible schedules – particularly for TAY population
- Availability of data and sharing of information among various agencies involved with the newly-employed individual

## **5. Potential performance measures**

- Duration of employment
- Percent of newly-employed individuals engaged in Career/Skills Development
- Percent of newly-employed individuals who experience income increase
- Percent of newly-employed individuals who secure promotions
- People self-reporting satisfaction
- Quality of life survey to come later

**6. Potential funding stream(s):**

- DPSS (expanding services beyond the County to community partners)
- Expansion of work-study programs
- Probation dollars
- DCFS
- Department of Labor
- Business Community/Chamber of Commerce through United Way

**Potential Strategy 1.7**  
**Create incentives for business to hire individuals who are homeless and/or formerly homeless, including marketing incentives to employers**

## 1. Description of the proposed strategy

The proposed strategy aims to provide financial incentives to private businesses for employment of individuals who are homeless or formerly homeless. Additionally, marketing and education are a key component of this strategy to promote and increase awareness among private employers on the benefits of hiring individuals who are homeless or formerly homeless.

Financial incentives could take various forms. Below are examples of incentives that are viable options:

- **Tax Incentives** - A local taxing entity could implement a tax incentive program within its jurisdiction for private employers who hire the homeless or formerly homeless. For example, a City could offer business tax credits calculated according to a set dollar amount per homeless individual hired or other factors, and the total credits allocated would be capped based on the desired investment for such a program. The tax credit could be targeted to support employment for specific homeless subpopulations based on verifiable information from social enterprises or other homeless service providers. An ordinance prepared by the City Attorney and approval by the Council and Mayor may be required to implement tax credits within a City.
- **Training Wage** - The County or a city with a minimum wage above the State minimum wage could amend its local minimum wage laws to allow for employers to pay the homeless/formerly homeless less than the local minimum wage for a specified time period after they are hired. This would make homeless individuals more attractive employees by lowering the cost of hiring them.

Marketing any incentive program would be vital in achieving success. The County and its cities could launch a public awareness campaign around homelessness that would be directed towards potential employers and the business community at large. The chief purpose of this program would be to inform the employers and the public about the dire state of homelessness in the County and its cities. Focus would be on educating the employer about how business can contribute to alleviating homelessness, and incentives available to businesses. This program could include:

- **Branding campaign**, whereby the use of a certified symbol would be allowed for businesses that help the homeless through employment, training, or other in-kind donations.
- **Partner with retailers, restaurants, grocers, or clothing manufacturers** for a campaign, where a defined percent of purchases at a participating store goes to feeding, clothing, and housing the homeless.

- Advertising to inform potential employers of any approved incentives for hiring homeless/formerly homeless individuals.

Additionally, employers participating in a subsidized employment program would have an on-call support system available to alleviate concerns from potential employers regarding the risks involved with hiring the homeless/formerly homeless. The program could mirror the system used by the County Department of Health Services' Housing for Health which provides on-call counselors to support participating landlords and its clients as they transition to permanent housing as part of a comprehensive housing program for the homeless.

**2. Opportunities that make this proposed strategy feasible (Is this currently done elsewhere? Is there legislation that makes this possible?)**

There are a few examples which could be applicable:

- Federal Work Opportunity Tax Credit, on hiatus as of January 1, 2015- Provided businesses up to \$9,600 in tax credit per eligible employee hired with specific employment barriers.
- Los Angeles City Internet-Based Business Tax Reclassification - This is a lowered tax rate, not tax credit. Effective through tax year 2018, the measure provides for reduced assessment of City gross receipts tax on Internet- based businesses in the City of Los Angeles.
- Utah State Tax Credit for Employment of Persons Who Are Homeless. Employers may earn a \$2,000 tax credit for each qualified new hire.

Within each jurisdiction there are local entities that deal with employers which could provide opportunities for outreach and engagement. These include the Chambers of Commerce and WorkSource Centers.

**3. Barriers to implementing the proposed strategy and recommendation on how they can be resolved**

- All solutions are subject to approval of the relevant governing body. Additionally, tax credit and wage strategies require review and ordinance preparation by the attorneys for the implementing jurisdiction. A separate analysis would be required regarding impact of proposed reduced tax revenues.
- There is no guarantee that private employers would utilize the incentives or be convinced that incentives outweigh the risks involved with hiring an individual who is homeless/formerly homeless. Additionally, the monetary incentives required to improve employment opportunities for the homeless/formerly homeless may outweigh the benefits when compared to subsidized or other employment programs.

- The administrative costs of programs such as possible tax incentives and the awareness campaign also present a potential barrier which requires further assessment.

#### **4. Potential performance measures**

- Increased employment of homeless/formerly homeless and reduction in need for funding to subsidize housing for the homeless/formerly homeless
- Increase public awareness of homelessness issue and of local government efforts to address homelessness
- Decrease in tax revenues due to tax break incentives.

**Potential Strategy 1.8**  
**Modify hiring process for certain populations, e.g. homeless, to have access to County/City jobs outside of civil service process (be a “model employer”)**

## 1. Description of the proposed strategy

There are three fundamental design features of Civil Service Employment: 1) examination for civil service positions are public, competitive and open to all; 2) they rely upon testing methodology to establish rank ordered lists for hiring opportunities; and 3) there are often stringent background standards.

Given the rigidity of the civil service process, a Phased Entry Strategy acknowledges both the institutional barriers, as well as the individual barriers often experienced by those who are homeless or formerly homeless. The Phased Entry Strategy provides an approach to address these barriers without reducing the quality of the candidate who will ultimately secure a position of trust as a valued public servant, and retains flexibility for the hiring agency to utilize traditional candidate selection mechanisms. The Phased Entry approach is a focused process to help individuals who are homeless or formerly homeless prepare for civil service employment. The process involves the following:

- **Workforce Planning:** Agency completes workforce planning analysis to develop five-year hiring projection.
- **Communication:** Inform the target population of agency's long term employment needs and opportunities, utilizing existing network of non-profit social service providers and WorkSource Centers.
- Utilize WorkSource Centers to provide assessment and training, and supportive services to get potential candidates to “employment ready status.”
- Hire the employment-ready individual identified by the WorkSource Center as a viable candidate for an identified agency position at one of the County or city-funded non-profit social service providers that has the capacity to on-board the individual, and provide on-going supportive services.
- Candidate is assigned work at agency under the supervision of agency staff a minimum of 6 hours per day with the remaining two hours back at the non-profit agency receiving on-going supportive services.
- After a minimum of twelve months of successful participation in the program, the candidate is transferred to a classification on County/City payroll consistent with a targeted employment classification, i.e. Vocational Worker exempt from civil service. Candidate remains a Vocational Worker for the duration of the designated apprentice program and/or training period. Non-profit social service agency continues to provide supportive services as necessary.

- Candidate is transferred to Trainee Classification for the targeted position; after twelve months, Personnel Department transitions the employee to a permanent civil service position and the employee completes his/her probationary period.

## **2. Target Population**

Individuals who are homeless or formerly homeless would be eligible to participate in the Phased Entry Strategy.

## **3. Opportunities that make this proposed strategy feasible (Is this currently done elsewhere? Is there legislation that makes this possible? )**

- Majority of the program design infrastructure already exists within the WorkSource Centers and is funded through a combination of grant and local funds.
- No new legislation is required to implement this program.
- Minor modification to background standards may be necessary, but the successful completion of the time on the non-profit agencies' payroll will create distance from any otherwise disqualifying events.
- Policy level commitment to utilize successful participants from the program to fill vacant positions is essential.
- Potential to expand to other employers.

## **4. Barriers to implementing the proposed strategy and recommendation on how they can be resolved**

- Funding.
- Amount of training and time to enable candidates to reach employment-ready status for qualification for civil servant positions.
- "At Risk" populations often have difficulty staying engaged in activities; as such, there may be a high turn-over rate among those participating in the Phased Entry approach.
- Potential Union opposition to program.

## **5. Potential performance measures**

- Percent of employees participating in Phased Entry approach who secure civil service employment.
- Percent of employees participating in Phased Entry approach who secure other gainful employment.
- Expansion to other employers.

**Potential Strategy 1.9**  
**Explore a local ordinance on “Ban the Box” for private employers**

1.

## **1. Description of the proposed strategy**

The Fair Chance Hiring Program, also known as “Ban the Box” in hiring practices: (1) delays all conviction inquiries addressed to the job applicant until after a conditional offer of employment is made by an employer; and (2) eliminates background checks unless required by law or the employer has made a good faith determination that the relevant position is of such sensitivity that a background check is warranted.

The Los Angeles County Board of Supervisors could extend “Ban the Box” (passed by California in 2014 - Labor Code §432.9 - which applies to public employers) to all private employers and/or government contractors. A legal determination still needs to be made as to whether the County’s jurisdiction applies to the entire county or only to the unincorporated area. If the County’s jurisdiction is limited to the unincorporated area, each city would need to decide whether to pass its own “Ban the Box” Ordinance.

## **2. Target Population**

Individuals who have criminal background that precludes them for securing employment would benefit from an expanded “Ban the Box” ordinance.

## **3. Opportunities that make this proposed strategy feasible (Is this currently done elsewhere? Is there legislation that makes this possible?)**

- Nationwide, 19 states, Washington D.C., and 100 cities and counties have adopted this strategy. Within California, participating jurisdictions include: Alameda and Santa Clara Counties, and the cities of Berkeley, Carson, Compton, East Palo Alto, Oakland, Pasadena, Richmond, and San Francisco.
- Tool Kit exists with model Ordinance Language, Resolutions, Executive Orders, marketing material, extensive research to support the strategy.

## **4. Barriers to implementing the proposed strategy and recommendation on how they can be resolved.**

Private employers may oppose this recommendation.

## **5. Potential performance measures**

Successful implementation of this strategy would result in an increase in employment in Los Angeles County among those with criminal backgrounds.

## **6. Potential funding stream**

This strategy does not require a funding stream.